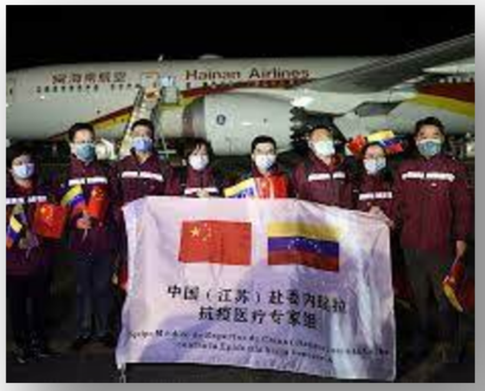
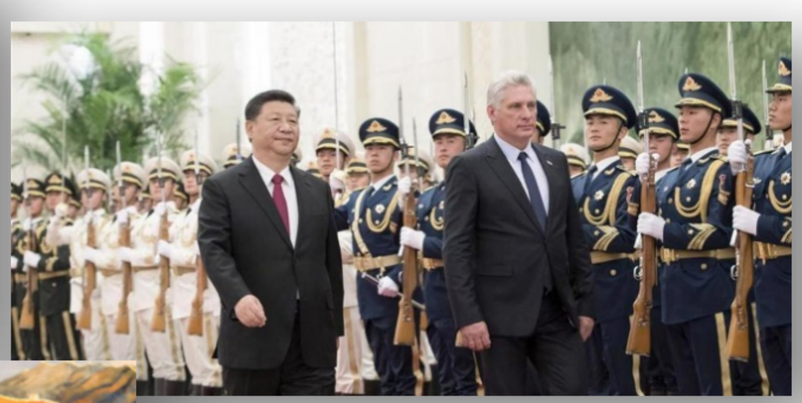
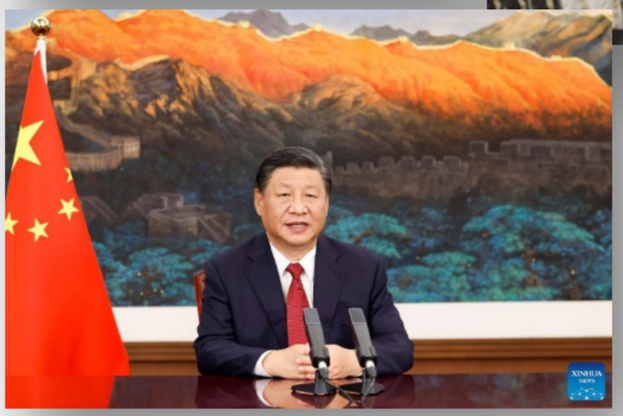
# Chinese Activities in Latin America And the Caribbean





## R. Evan Ellis

U.S. Army War College
Strategic Studies Institute


## Westminster Institute

McLean, VA

*February 20, 2023*

# Structure *of PRC Advance in LAC*

- $171.8B investment in 480 projects
  - ↑30% in '21 in Brazil?
- $138B* loans since '05 (*weak in '21*)
- $314B bilateral trade '21

*Caribbean as Strategic?*

Resource Sector Activities

High-Value Added/ Strategic Market Activities

***Economic Dominance***

***Political Leverage***

*Bllateral: Strategic Partners (10) w Committees, FTAs (e.g. EC, UY)*

**State & Local**, Sister Cities

Multilateral: *China-CELAC* (look at '22-'24 plan), ECLAC, IADB, CDB, BRICS…

Connectivity & Digital Activities

Military, Police Activities (***Knowledge, Relations*** to ***operate in region***)

PRC-CELAC Forums: ***Disaster Relief, 5th Defense Forum***

*BRI (**21** countries)*

**GDI** as BRI 2.0? Also GSI (CELAC)

*Dr. R. Evan Ellis Tel/WhatsApp: +17033287770 Email: r_evan_ellis@hotmail.com Website: revanellis.com*

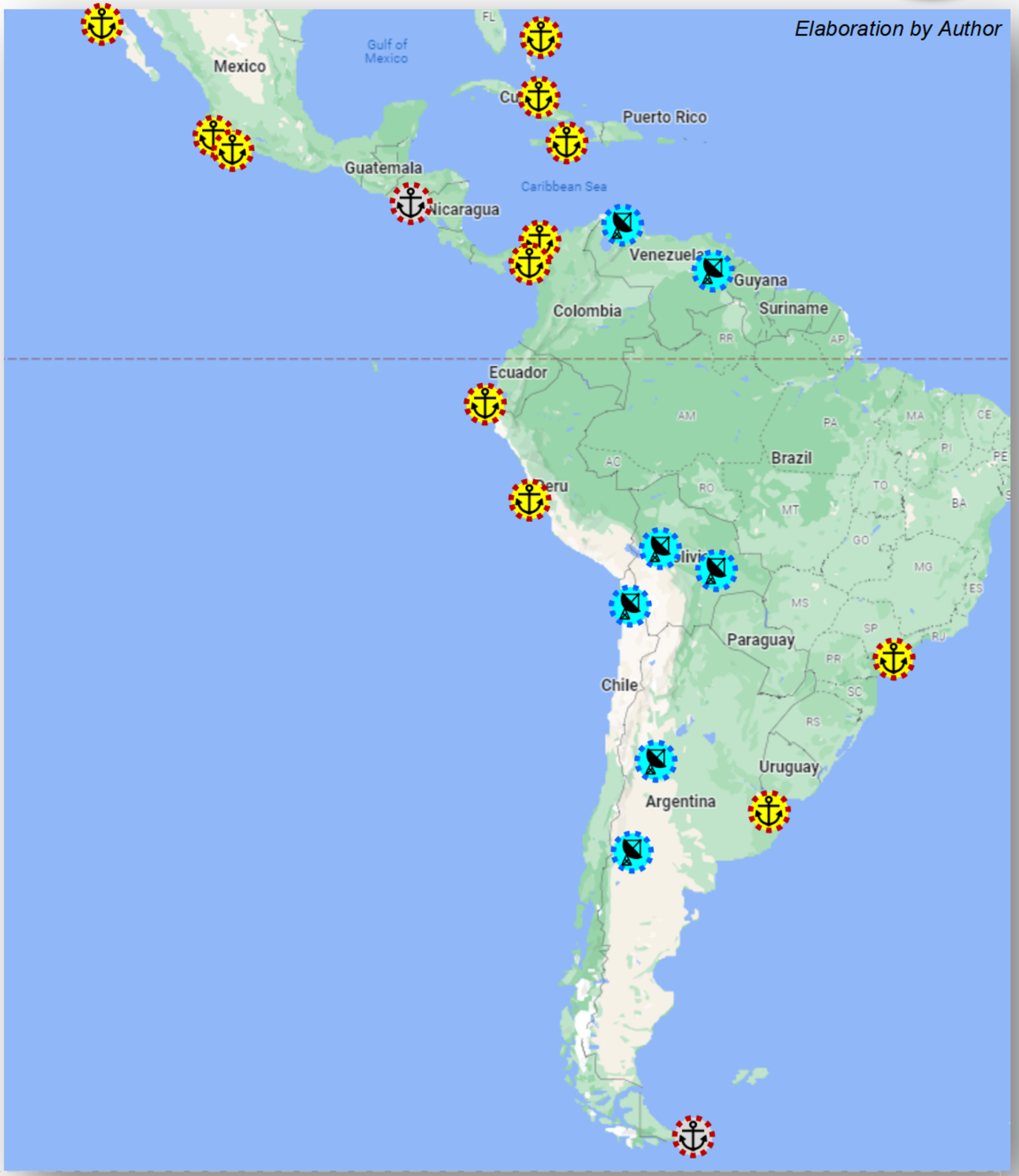
# PRC "Strategic Risks" in LAC

- Leverage from "soft power": PRC as importer, investor, local partner
- "Counter-model" of non-democratic success, order?
- "People power"
  - Confucius Institutes (44) + Hanban: co-opt China-facing elites
  - Academics & consultants (attraction: trips to PRC, access)
  - CCP International Liaison Department: United Front work
  - PRC "***police stations***": Argentina, Colombia, Cuba, Panama Peru
- Digital→Espionage (Pol+ Mil+ Commercial): ↓ Partner Sovereignty
  - Telecom: Huawei 5G, "smart/safe cities": 10+ countries incl Suriname
  - Ecommerce/Finance (Didi, Alibaba, Fosun, Fintech [e.g. NuBank])
  - Data centers Huawei (MX,CHI,ARG,BRA,PER), Tencent (BRA); Asino mgt of Chile Civil registry ($205M), NuTech
- Incubator/maintainer of authoritarian regimes→Reinforcing Cycle?
  - Incubation: loans + commodity purchases ("*China gets paid*")
  - Security support (e.g. Ven Armored vehicles)
  - Support to authoritarian "digital control":
    - *BOL-110*, *ECU-911*, *Fatherland ID card*, Cuba *ETECSA*

*Dr. R. Evan Ellis Tel/WhatsApp: +17033287770 Email: r_evan_ellis@hotmail.com Website: revanellis.com*

# Wartime: PLA Leverage, Knowledge, Access

- Political/Economic leverage: Multinational, coalition support; Base access, airspace, waterway use
- PLA intel, SpecOps in region:
  - Homeland at risk, deployment and sustainment flows to PACOM, chokepoints, diversionary crises (Econ, Ag)
- PLA access to WHEM ports, Space, other strategic infrastructure




Dr. R. Evan Ellis Tel/WhatsApp: +17033287770 Email: r_evan_ellis@hotmail.com Website: revanellis.com

# PRC-LAC Military Engagement

1. Arms Sales:

*Relationships + Benefits to PLA equip & global ops*

- VEN→ALBA→other (ARG JF-17, Peru T-90B, **VN-1s**)
- ↑ offer (OPVs:TTO, **UY**, UAVs: Chile, JF-17s to AR)
- ***Gifts*** (busses/4x4s, tractors, police cars, incl NI, CU
  - Including *to POLICE (GPF, TTPS, DR, CR, NI)*

*Dual-Use ports?*

2. Training and PME:

*Relationships + Experience*

- NDU short courses→PLA Command Schools→PLA Military Academy
- PLA→LATAM: *Manaus, CCOPAB, Tolemaida*

*Defense Agreements (e.g. **UY**)?*

3. PLA Presence:

*Global Engagement + Experience*

- MINUSTAH→Angel de la Paz →Peace Ark" 2011, 2015, ***2018***→Ex. w Chile (Dec '13)
  - Mil.-Mil visits; Wargame in Venezuela
  - 25+ port calls since '09
  - Role in Argentine Ushuaia Logistics Base?

*Dr. R. Evan Ellis Tel/WhatsApp: +17033287770 Email: r_evan_ellis@hotmail.com Website: revanellis.com*

# PRC Space Activities in LAC

- Brazil:
  - 5 (CBERS) (last in Dec '19) / 1 failure?
  - Alcantara launch facility if PT returns Oct '22?
- Venezuela:
  - ***3*** (Venesat-1, VRSS, ***VRSS 2*** [Oct 2017])
  - *Infra*: BAMARI (Guarico), Luepa (SE Bolivar)
- Bolivia:
  - Tupac Katari (Dec 2013), Bartolina Sisa?
  - *Infra:* Amachuma (La Paz), La Guardia (Sta Cruz)
- Argentina:
  - Neuquén radar, polar? San Juan Obs., Nusat

- Chile: *Paranal* observatory
- Peru (APSCO, satellite sharing)

- China-CELAC Space Cooperation Forum?
- LAC on PRC Lunar Research Station?
- PRC support to LAC Space Agency (ALCE)?

*Dr. R. Evan Ellis Tel/WhatsApp: +17033287770 Email: r_evan_ellis@hotmail.com Website: revanellis.com*

# COVID-19: PRC Advance w. ↑ Tensions

- Medical sales + Vax leverage, co-production (*PRC-CELAC '22-'24 plan*)
  - PRC vaccs low efficacy + Western vaccs
  - But new PRC bid for **biotech presence** in region (e.g. COL, PER, ARG)?
- ↑ Trade (if PRC growth): Brazil (soy), Ecuador (shrimp), El Salvador (sugar)
- Loans and projects for *LAC governments* in *fiscal/economic distress*
  - ↑ Opportunities with current populist/leftist wave (↑disposition, ↑need)?
- ↑ presence from M&A of Western Co. assets in LAC [like 2010, but more]
- Taiwan: ↑ PRC push w PRC-US conflict over Taiwan [Pelosi, other CODELS]?
  - Advance through MOUs opening up market, buying off elites via visit
  - Nicaragua→*Paraguay* ('23 elections), Honduras, Haiti, St. Lucia?
- ↑ PRC Challenges (LAC w higher *desperation, crime, social mobilization*)
- Nearterm **restraints** to PRC dissipating in '23?
  - Covid *lockdowns*/***protest***→*controls lifted*, PRC *low growth* (**3.1%** '22-'23), debt overhang (e.g. Evergrande), tech control (e.g. x Jack Ma)
  - SAL, *Diaz-Canel, Boric, Lula, Santoki? visits* to PRC; Xi→LAC in '23?

*Dr. R. Evan Ellis Tel/WhatsApp: +17033287770 Email: r_evan_ellis@hotmail.com Website: revanellis.com*

For further Information,
or to be included on the mailing list for Dr. Ellis' publications about these topics, please contact:

*Dr. R. Evan Ellis*
*Tel/WhatsApp: +17033287770*
*Email: r_evan_ellis@hotmail.com*
*Website: revanellis.com*